



Annual Meeting 2016

Saturday, June 10th, 2017

SNOWMASS FIRE HOUSE

Minutes June 8, 2016 Little Elk Creek Annual Meeting

1. **Call to Order/Introductions/Approval of Minutes of 2015 Meeting**

Trustee John Ott called the meeting to order and introduced the Board members and Manager. He offered apologies for absent Trustee Bruce Anderson, who was unable to attend the annual meeting for the first time in over 20 years. President Bob Wright was unable to attend. Owners then introduced themselves around the room concluding with Manager Edquist. He stated that the minutes of the 2015 annual meeting were provided in the packet for this meeting. The minutes subsequently were reviewed and approved as written, none opposed. A quorum of owners was represented in person and by proxy.

2. **LEC year in review- Manager Edquist**

Manager Edquist spoke briefly about the recent work on the entry area, the completion of the fencing project along Capitol Creek Road, and last summer's chipseal work. The chipseal project engendered an extended discussion about speed bumps, dips, the road surfaces, excess gravel on the roads and some punch list items. Many owners were dissatisfied with the work for a number of the above reasons, though Keith said he had heard no further complaints since the broom cleaning of the roads of excess gravel last October. There was a request for more owner input the next time roads are resurfaced.

The chipsealing was done in concert with the vendor's work on Capitol Creek and Snowmass Creek Roads and in concert with Pitkin County. Speed bumps and dips do reduce overall traffic speeds, and the gravel laid down was of the same type and size as that used in the last complete Little Elk overlay—sometime in the 90's—and also completed by vendor GMCO. Owner Beth Blackmer noted the difficulty of using vendors from out of the area, as had been done in several previous years and in piecemeal fashion. GMCO is local (Rifle CO.) and well regarded by local counties and municipalities. She offered to assist with any punch list items which may remain from the work done last summer.

Edquist then read a brief report on water in the Borum White Ditch Company from owner George Johnson. George reminded owners it is their responsibility to keep ditches on their property properly dug out and able to carry water, and began by saying that there should be plenty of irrigation water available this summer.



By contrast there had been a recent shortage of water carried in the Little Elk Creek Ditch Company system, which serves a dozen or more Little Elk owners. An upstream user and new owner was diverting more than his share of water from the ditch, and had not installed the proper flume to measure his water use. This was being addressed by the Little Elk Creek Ditch Company at the time of this meeting.

3. **Water System Report-Owner Dan Harris**

Dan began by apologizing for the tone of his last general email to Little Elk owners, but stressed the importance, once again, of not using the domestic/treated water supply for exterior landscaping. He said the last significant leak on the water system was completed in 2014, and he was hopeful of not having more. He said winter use averages 12, 000 gallons per day in the winter, spiking to 18,000 gallons per day in most of the summer months. This means there may be only a 5 day supply of water in a leak situation, from the approximately 100,000 gallon steel tank. Dan added the water tank interior was cleaned in 2015, a process necessary every 3-5 years. He said also there was only about ¼ inch of sediment built up since the prior cleaning.

H then reported on improvements to the water treatment system mandated by the State, explaining new regulations required of Little Elk by the Colorado Department of Health and Environment will require greater contact time for chlorination, and the addition of further filtering media. Quarterly letters mandated by CDPHE have been sent recently to all owners, and are posted on the website. Current plans call for installation of a pre-filter, and redundant, better, water filters plus the addition of a second cistern to allow for the increased chlorine contact time required. This addition will necessitate construction of an addition to the existing pumphouse building.

At the time of this meeting Dan anticipated construction taking place by mid-July. He said it would be necessary to drain the lower pond during excavation of the foundation for the pumphouse addition and that the pond might remain empty through August. Dan is being assisted through this process with the support of the Board of Trustees, Schmeuser Gordon Meyer engineers, Raun Samuelson pumps, and Environmental Process Control, the LECVHOA's water operator. At the time of the meeting, he expected costs for this work in the neighborhood of \$160,000. Owner Holly Timms offered a solid wood door she can contribute to the pumphouse addition.

Manager Edquist added that this type of required, but unanticipated expense, is illustrative of the need for strong capital reserves supported by the appropriate levels of owner assessments. This expense was not anticipated nor was it included in the recently completed reserve study. The study provides a spreadsheet/database that will allow the Board to determine the state of reserves and assessments after this project's expense is finalized.



4. Covenants and covenant enforcement-Ott/Edquist

Trustee Ott introduced the subject of covenant violations and enforcement in Little Elk Creek. This prompted an extended discussion of the state of the neighborhood and the covenants themselves. A longtime owner said enforcement in Little Elk came before a court of law 20 years ago, with the judge siding with the owner and saying the covenants, not having been enforced in 15 years, were then unenforceable. Other owners who have come into the neighborhood in the last several years have relied on and expect enforcement of the Little Elk covenants as written.

Manager Edquist, who has 35 years' experience in common interest associations, said he has yet to see any community that does not operate in shades of gray in regard to enforcement of each and every covenant included in their Declaration. It is typical that covenants drafted by legal counsel prior to the construction the first homes don't always conform to the way people actually live or have come to live. He said this often leads to acceptance and tolerance of some violations, while enforcement of other covenants seem to have the complete support of a majority of owners. In the case of Little Elk Creek and other associations, management is put in the middle between owners seeking enforcement of covenants and the opposing neighborhood attitudes of "live and let live" and "let sleeping dogs lie".

In Little Elk Creek, trailers, boats, RVs, and horse trailers are often on owner's properties, sometimes screened in accord with the covenants, but as often simply parked in view of neighbors, visitors, realtors and potential buyers. Owner Beth Blackmer made a case for the need for horse trailers if horses are on a property in case of medical or other emergencies. To put up another structure to house a horse trailer would require a Board/Architectural Control Authority (ACA) variance, creating other problems for resolution by the Board of Trustees. (Language regarding screening is item 12 in the covenants, see littleelkcreekvillage.org)

Owner Tim Vogel asked about amending the covenants, as did owner Jeff Weiss. Jeff also spoke regarding selective enforcement and asked who was making the decisions about covenant enforcement. Ultimately, management takes direction from the Board in regard to these matters, which periodically have come before them and continue to come up in the neighborhood. There was further discussion regarding tenants and rented properties, need for a spring neighborhood clean up day, stored and uncovered materials around homes, and the difficulties of screening something as large as a recreational vehicle.

At length, owner Beth Blackmer made a motion, seconded by Dan Oppenheimer, to form and chair a committee to review the present LECVHOA covenants and come back to the Board with suggested revisions next year, for possible adoption and recording with the county. This was seconded and passed with only a bit of further discussion in regard to egregious violations and the need for the Board to act should the violation constitute a nuisance. Members of this



committee, at the time of the meeting, were to be owners Holly Timms, Tim Vogel, Dan Oppenheimer and Beth Blackmer.

5. Treasurer's Report and Budget-Bruce Anderson

Bruce Anderson, association accountant, provided handouts on the 2015-2016 fiscal year, titled "Notice of FY 2016-2017 LECVHOA Assessments", "Balance Sheet Prev Year Comparison as of March 31, 2016", and "Profit and Loss Budget vs. Actual". The first advised of a 3 percent increase in assessments per quarter coming to \$765, up from last year's \$745.

Holly Timms inquired about the expense charged to the Parks / Landscape Maintenance line item. Bruce explained that the expense of the fence replaced along Capitol Creek had been placed in this category, but at year end this will be charged to the capital reserve account. Owner Weiss felt the financial reports were difficult to understand, and did not provide actual expenses vs. the 2015-2016 budget up to the date of this meeting. He asked if he could schedule a meeting to go over these figures. Trustee Anderson was unable to attend this meeting, as explained earlier by Trustee Ott, so no determination as to such a meeting was made at this time. Therewith, there being no further discussion, this proposed budget was ratified by those present both in person and by proxy.

Mr. Weiss passed out to the owners present a single page titled "Restoring a sense of Community in Little Elk Creek". This document, along with another letter of unknown content passed out to owners from Mr. Weiss, was not provided to the Board of Trustees.

6. New business-Election of Trustees

Trustee and past President Bob Wright determined prior to this meeting that he would step down from the Board. Trustees Rene Tornare and Jon Visnic stood for election to another term. Owner Tim Vogel had presented a letter prior to the meeting indicating he would stand for election at this meeting. Owner Jeff Weiss self-nominated. This meant there were four candidates for the three open seats, and prompted a secret ballot per Colorado statute. Results of the voting, including proxies, elected owners Tornare, Visnic, and Vogel to the Board. The new Board will determine its officers and terms at its next meeting.

2016-2017 Board members

Jon Visnic
Rene Tornare
Tim Vogel
Bruce Anderson
John Ott



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Home Owners' Association
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7. Adjourn

There being no further business to come before the meeting, the meeting adjourned at 9:15 pm

Respectfully submitted, Keith Edquist, Association Manager

Bob Wright, President